

**REMARKS**

Applicants respectfully request favorable reconsideration of this application, as amended.

By this Amendment, Claims 1, 8, and 18 have been amended to more particularly recite subject matter which Applicants regard as their invention and as discussed in detail below. Claim 8 has also been amended to include subject matter of Claim 22 (now cancelled without prejudice or disclaimer), and Claims 16-17 were previously cancelled without prejudice or disclaimer.

New Claim 25 has been added to provide additional protection for Applicants' invention. New Claim 25 includes subject matter of Claims 1 and 18.

Thus, Claims 1-15, 18-21, and 23-25 are pending.

In the Office Action, Claims 1-7, 20, and 21 were rejected under 35 U.S.C. § 103 over Bove in combination with Fernholz; Claim 18 was rejected under 35 U.S.C. § 103 over Bove and Fernholz in further view of Maggioncalda; Claim 19 was rejected under 35 U.S.C. § 103 over Bove in combination with Powers and Maggioncalda; Claims 8-12, 14, 15, and 23 were rejected under 35 U.S.C. § 103 over Bove in combination with Powers; and Claims 13, 22, and 24 were rejected under 35 U.S.C. § 103 over Bove in combination with Powers and Fernholz.

Without acceding to the rejections, Claim 1 now recites, *inter alia*, that the rebalancing execution module is configured to calculate in dollars and percentages a drift amount for each said asset class and to output a graphical directional indicator of said drift amount for each said asset class. Support is provided at page 18, lines 3-22; and FIGS. 14 and 15 of Applicants' disclosure. It is apparent that the applied references do not teach or suggest this combination of features.

For example, the primary reference, Bove, describes a system and method for automating investment planning. *See Bove, Abstract.* The Office Action acknowledges at pages 3 and 11 that Bove does not explicitly teach drift. In particular, Bove is understood as merely teaching displaying a summary report of recommendations for reaching a desired asset allocation. Bove, col. 1, line 62 to col. 2, line 14; col. 3, lines 34-36; col. 11, line 57 to col. 12, line 46; and FIG. 6. It is clear that Bove does not teach or suggest a rebalancing execution module . . . configured to calculate in dollars and percentages a drift amount for each said asset class and to output a graphical directional indicator of said drift amount for each said asset class, as recited in Claim 1.

The secondary references are not seen as remedying the above-noted deficiency of Bove. For example, secondary reference Fernholz is directed to an apparatus and methods for automatically modifying a portfolio to track a capitalization weighted index through re-weighting of a position held in each of a number of securities. *See Fernholz, col. 1, lines 18-29.* Fernholz discloses a graph showing the simulated performance of his apparatus with respect to the S&P 500 and Russell 2000 indexes over a period of years. Fernholz, col. 29, lines 30-58; and FIGS. 6C and 12. However, Fernholz does not teach or suggest a rebalancing execution module . . . configured to calculate in dollars and percentages a drift amount for each said asset class and to output a graphical directional indicator of said drift amount for each said asset class, as recited in Claim 1.

Furthermore, secondary reference Maggioncalda is directed to a user interface for a financial advisory system. *See Maggioncalda, Abstract.* Maggioncalda discloses displaying “an icon corresponding to the likelihood of achieving the goal,” as well as “graphically depict[ing] the recommended optimal allocation among the available set of financial products” or “among the remaining financial products.” Maggioncalda, FIGS.

13, 15, and 18. However, Maggioncalda is not understood as teaching or suggesting a rebalancing execution module . . . configured to calculate in dollars and percentages a drift amount for each said asset class and to output a graphical directional indicator of said drift amount for each said asset class, as recited in Claim 1.

The remaining secondary references are also not seen as teaching or suggesting the above-discussed features.

Therefore, Applicants respectfully submit that Claim 1 distinguishes patentably from the applied references.

Further, Claim 8 recites, *inter alia*, a step f. automatically rebalancing the portfolio upon a predetermined condition, including calculating in dollars and percentages a drift amount for each of a plurality of asset classes, and outputting a graphical directional indicator of said drift amount for each said asset class.

Accordingly, Applicants respectfully submit that Claim 8 also distinguishes patentably for at least the same reasons as discussed above with respect to Claim 1.

In addition, new Claim 25 is also believed to be allowable over the references of record. In particular, new Claim 25 recites, *inter alia*, a rebalancing execution module adapted to automatically rebalance the portfolio upon a predetermined condition, and configured to send one or more email reminders to the user reminding the user that it is time to rebalance the portfolio, wherein the predetermined condition causing the automatic rebalancing is a failure to receive a response from the user after said one or more reminders are sent. Support is provided, for example, at page 17, lines 1-17 of Applicants' disclosure. It is apparent that the applied references do not teach or suggest this combination of features.

For example, the Office Action acknowledges at pages 6-7 that Bove does not teach sending email reminders. It follows, of course, that Bove also does not teach or suggest a rebalancing execution module adapted to automatically rebalance the portfolio upon a predetermined condition, and configured to send one or more email reminders to the user reminding the user that it is time to rebalance the portfolio, wherein the predetermined condition causing the automatic rebalancing is a failure to receive a response from the user after said one or more reminders are sent, as recited in Claim 25.

The secondary references are also not seen as teaching or suggesting this combination of features. For example, the cited portion of secondary reference Maggioncalda teaches generating an alert to notify a user of a recommendation or advice to reallocate a portfolio. *See Maggioncalda, paragraph [0228].* Maggioncalda further teaches that his recommendation alert can be displayed or transmitted to the user. *Id.* However, Maggioncalda does not teach or suggest a rebalancing execution module adapted to automatically rebalance the portfolio upon a predetermined condition, and configured to send one or more email reminders to the user reminding the user that it is time to rebalance the portfolio, wherein the predetermined condition causing the automatic rebalancing is a failure to receive a response from the user after said one or more reminders are sent, as recited in Claim 25.

The remaining secondary references are also not seen as teaching or suggesting the above-discussed features.

Therefore, Applicants respectfully submit that new Claim 25 distinguishes patentably from the applied references.

The dependent claims are also believed to be patentable due at least to their respective dependence from Claims 1 and 8, as well as for the additional features included in the dependent claims.

Accordingly, Applicants respectfully submit that this application is in condition for allowance. A prompt Notice of Allowance is respectfully requested.

Should the Examiner believe that any further action is necessary to place this application in better form for allowance, the Examiner is invited to contact Applicants' representative at the telephone number listed below.

The Commissioner is hereby authorized to charge to Deposit Account No. 50-1165 (A-10041) any fees under 37 C.F.R. §§ 1.16 and 1.17 that may be required by this paper and to credit any overpayment to that Account. If any extension of time is required in connection with the filing of this paper and has not been separately requested, such extension is hereby requested.

Respectfully submitted,

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